

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman John Edmonds at 9:00 a.m. on March 8, 2004 in Room 519-S of the Capitol.

All members were present except:

Representative Ed O'Malley- excused  
Representative Tom Sawyer- excused  
Representative Vaughn Flora- excused

Committee staff present:

Chris Courtwright, Legislative Research Department  
Martha Dorsey, Legislative Research Department  
Gordon Self, Revisors of Statutes  
Carol Doel, Committee Secretary

Conferees appearing before the committee:

Secretary of Revenue, Joan Wagnon  
Bob Totten, Public Affairs Director, Kansas Contractors Association  
Don Clarkson, Clarkson Construction Company  
Scott Anderson, Hamm, Inc. of Kansas  
Ron Hein, Hein Law Firm  
Jay Befort, Department of Revenue Staff Attorney

Others attending:

See Attached List

Chairman Edmonds opened the meeting for any bill introduction.

The Chairman requested introduction of a resolution amending the constitution with regard to the assessment rate for certain utility properties.

There were no objections and this will be accepted for introduction.

Chairman Edmonds opened the meeting for public hearing on **HB 2662** recognizing Bob Totten, Public Affairs Director for the Kansas Contractors Association. It is their opinion that passage of this bill would allow sales tax to be collected at the rate as it was prior to July 1, 2003 on construction projects. (Attachment 1)

Clarkson Construction Company in Kansas City was represented by Don Clarkson in support of **HB 2662**. In his testimony, Mr. Clarkson stated that this bill provides a provision to allow contractors to complete their contracts under the same tax rules as when the contracts were bid.

The final proponent Scott Anderson, Chief Financial Officer for Hamm, Inc. of Kansas testified in support of **HB 2662**. Mr. Anderson provided testimony urging the committee to support the bill for passage. This bill would allow the contractor to complete contracts under the same tax rules as when they entered into the contracts in a fair and equitable manner. (Attachment 3)

There were no opponents to **HB 2662** and the Chairman closed the public hearing on the bill and opened the meeting for hearings on **HB 2696**.

Secretary of State, Joan Wagnon, introduced Jay Befort, one of the Department's Staff Attorneys to discuss the details of proposed **HB 2696**. It provides new language to strengthen and streamline the existing procedures for enjoining the operation of businesses delinquent in their tax payments. (Attachment 4)

With no other person wishing to address the bill, Chairman Edmonds closed the hearing on **HB 2696**.

The Chairman opened the meeting for public hearings on **HB 2681** and recognized Secretary of Revenue, Joan